

UNCLASSIFIED - FC6798

**OFFICE OF PARLIAMENTARY BUDGET OFFICER REQUESTS ON  
INFRASTRUCTURE & UPCOMING REPORT ON THE FIRST NATIONS WATER AND  
WASTEWATER INFRASTRUCTURE PROGRAM BUDGET:**

Box Decision by the Deputy Minister

**DATE:** ~~October 12~~ November 28, 2017

**SUMMARY**

- Your approval is needed to respond to two information requests by the Office of the Parliamentary Budget Officer:
  - Request 1 (received July 27, 2017): An update on the value of the Budget 2016 infrastructure funding that has been committed for fiscal year 2017-18 and to date, as well as any progress information (Annex A).
  - Request 2 (received September 5, 2017): With regards to single-source water and wastewater (well water, septic tank treatment), what proportion of the Operations and Maintenance cost of these is paid by the Department? (Annex B)?
- Deputy Minister's approval is required to release the Department's responses.
- Upon your approval, the Chief Financial Results and Delivery Officer Sector will deliver the response to the Office of the Parliamentary Budget Officer.

**RECOMMENDATION**

- It is recommended that you ~~sign on~~ approve the material so that this information can be released to the Office of the Parliamentary Budget Officer.

☐

I concur

☐

I do not concur

☐

I wish to discuss further








Deputy Minister: \_\_\_\_\_ Date: \_\_\_\_\_

**ANNEXES**

Annex A: Overview of INAC's 2017-18 Infrastructure Targeted Investments  
(Budget 2016)

Annex B: INAC's Proposed Response to the Office of the Parliamentary Budget Officer  
Request # 2: Operations and Maintenance Funding for Single-Source Water  
and Wastewater Infrastructure

**INAC FISCAL YEAR 2017-2018 INFRASTRUCTURE TARGETED INVESTMENTS**  
as of June 30, 2017

WATER & WASTEWATER	HOUSING	EDUCATION	CULTURAL & RECREATIONAL	ENERGY, SUSTAINABILITY & CONNECTIVITY	FUNDAMENTAL COMMUNITY INFRASTRUCTURE	SOLID WASTE MANAGEMENT
						
<b>\$458.6M</b> targeted funding	<b>\$133.5M</b> targeted funding	<b>\$294M</b> targeted funding	<b>\$22.5M</b> targeted funding	<b>\$76.5M</b> targeted funding	<b>\$92.7M</b> targeted funding	<b>\$76.7M</b> targeted funding
<b>318</b> projects	<b>744</b> projects	<b>135</b> projects	<b>154</b> projects	<b>143</b> projects	<b>130</b> projects	<b>251</b> projects
<b>275</b> communities serving approx. <b>270,000</b> people will benefit from these investments	<b>314</b> communities Serving approx. <b>329,000</b> people will benefit from these investments	<b>120</b> communities serving approx. <b>172,000</b> people will benefit from these investments	<b>116</b> communities serving approx. <b>105,000</b> people will benefit from these investments	<b>285</b> communities serving approx. <b>327,000</b> people will benefit from these investments	<b>107</b> communities serving approx. <b>165,000</b> people will benefit from these investments	<b>164</b> communities serving approx. <b>221,000</b> people will benefit from these investments

Note: Targeted funding for the 2017-2018 fiscal year is \$1,15 billion, excluding statutory expenses related to Gas tax funds of \$28.1M.

Amounts and community numbers are approximate and subject to change in keeping with progress on projects.



## WATER AND WASTEWATER



### OVERVIEW OF WATER AND WASTEWATER INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Address all the long-term DWAs affecting INAC-funded water systems by March 2021. This will be achieved by initiating new capital projects; supporting First Nations for the operation and maintenance of water systems; supporting capacity development and training services to First Nations; and establishing Task Forces on drinking water advisories to leverage the capacity of existing organizations, including provincial governments, where applicable, and First Nation stakeholders.



MONEY	As of June 30, 2017
Targeted funding	\$458.6M
Number of projects	318



DRINKING WATER ADVISORIES	As of June 30, 2017
Long-term DWAs affecting water systems financially supported by INAC	69
Number of communities affected by long-term DWAs affecting water systems financially supported by INAC	46
Long-term DWAs affecting water systems financially supported by INAC lifted since November 2015	26



PROJECTS	As of June 30, 2017
Number of projects aimed at addressing long-term DWAs affecting water systems financially supported by INAC.	38 projects (in 38 communities) aimed at addressing 59 long-term DWAs.
INAC has developed an action plan to address all 69 current long-term DWAs affecting the public systems it supports.	



PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 275
Number of people served by those communities	Approx. 270,000

Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

### Number of projects (Total over 2 years: 348)

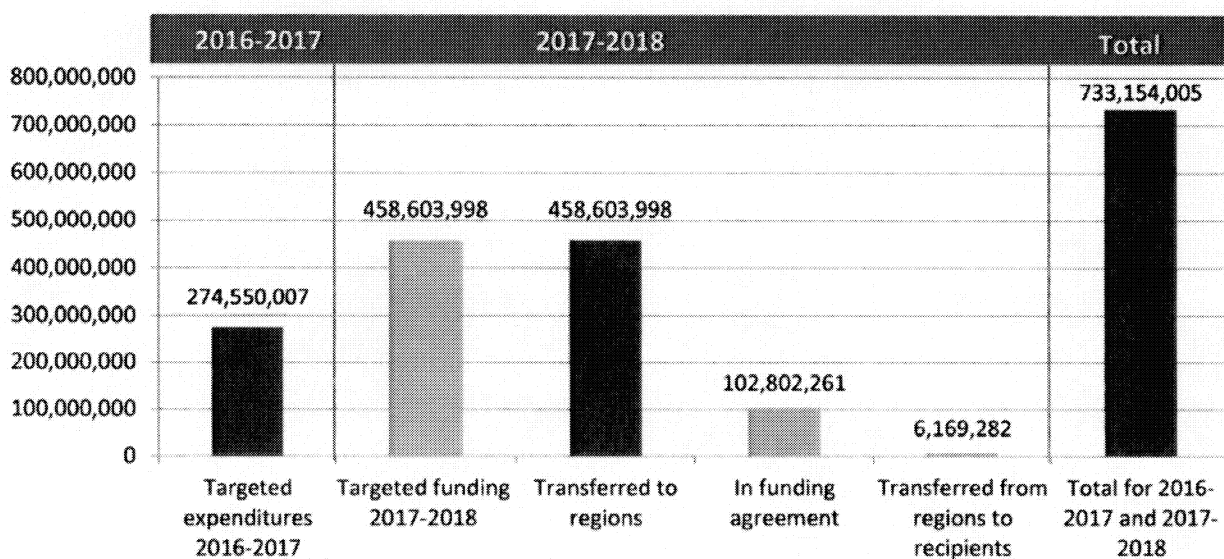


### Long-Term Drinking Water Advisories (L-T DWAs)

Progress since November 2015: 26 L-T DWAs were lifted



### Funding (Total available: \$1.8B over 5 years)







## HOUSING



### OVERVIEW OF HOUSING INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Construct new units, renovate existing units and provide lot servicing to address immediate housing needs on reserves.  
Support capacity development and the use of innovative practices.



#### MONEY

As of June 30, 2017

Targeted funding

\$133.5M



#### PROJECTS & UNITS

As of June 30, 2017

Total number of projects

744

Total number of units (completed and in progress)

2,801 units

Total number of units under construction or renovation

2,184 units

Number of units under construction, service or renovation, detailed as follows:

- New unit construction
- Renovation & additions

1,112 units

1,072 units

Total number of completed units

617 units

Total number of completed units are detailed as follows:

- New unit construction
- Renovation & additions

216 units

401 units

Lot servicing projects

Lots currently being serviced

70 lots

Lots servicing completed

107 lots



#### PEOPLE

As of June 30, 2017

Number of communities benefiting from INAC infrastructure investments

Approx. 314

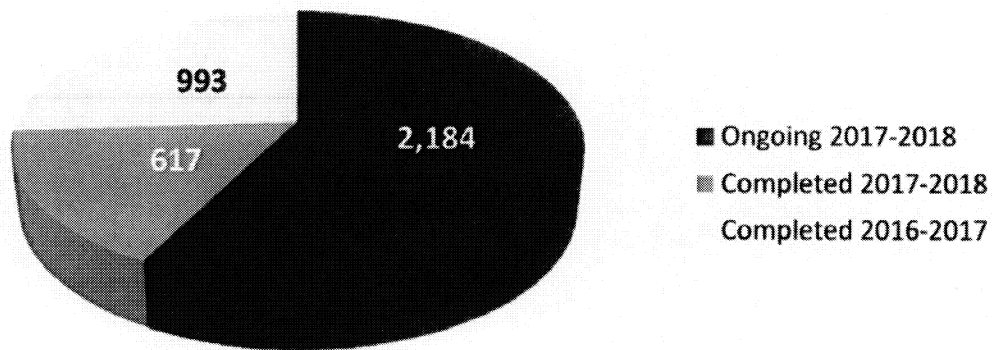
Number of people served by those communities

Approx. 329,000

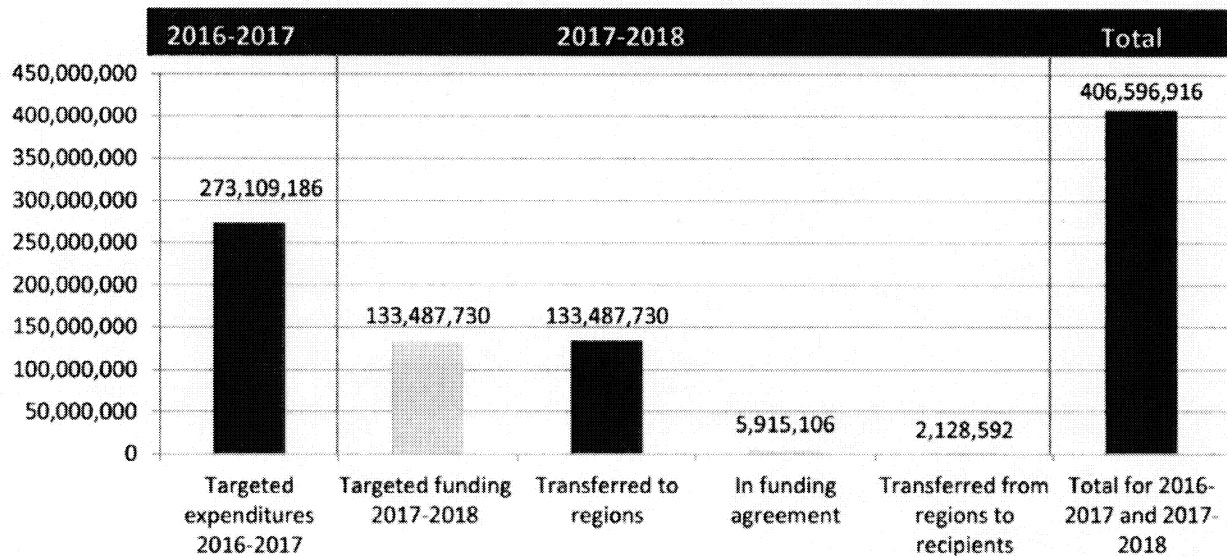
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

### Number of units under construction, renovation or servicing (Total 2 years: 3,794 units)



### Funding (Total available: \$416.6M over 2 years)





## EDUCATION FACILITIES



### OVERVIEW OF EDUCATION INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

The academic achievement of First Nations children, as well as their health and well-being, depends in large part on the quality of their schools. There is a significant need to repair and construct schools on reserve and ensure that they are adequately maintained. Budget 2016 proposes to invest \$969.4 million over five years, starting in 2016–17, in First Nations education infrastructure on reserves.



MONEY	As of June 30, 2017
Targeted funding	\$294M



PROJECTS	As of June 30, 2017
Number of projects	135
Number of new school constructions:	67
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed stage</li> </ul>	35 17 11 4
Number of renovations and upgrades projects:	56
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed stage</li> </ul>	19 12 25 0
Number of supporting infrastructure / services projects	5
Feasibility/studies underway to determine project scope (new school or renovations/upgrades/expansion)	7

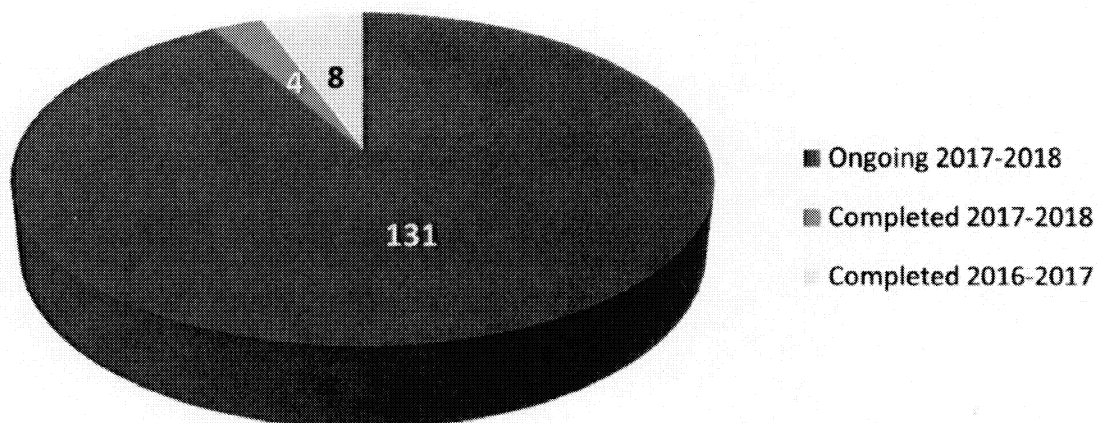


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 120
Number of people served by those communities	Approx. 172,000

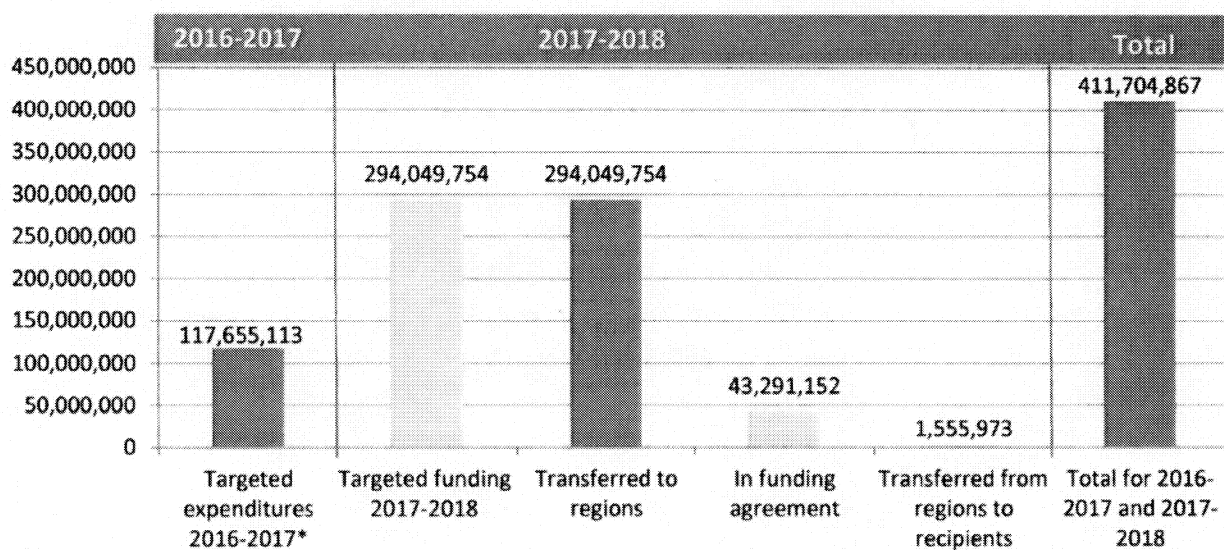
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 143)



Funding (Total available: \$969.4M over 5 years)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2014 (Education Infrastructure Fund).





## CULTURE AND RECREATION



### OVERVIEW OF CULTURE AND RECREATION INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the on-reserve cultural and recreational facilities gap.



MONEY	As of June 30, 2017
Targeted funding	\$22.5M



PROJECTS	As of June 30, 2017
Number of projects	154
Number of projects are detailed as follows:	
• Planning stage	12
• Design stage	19
• Construction stage	97
• Completed projects	26

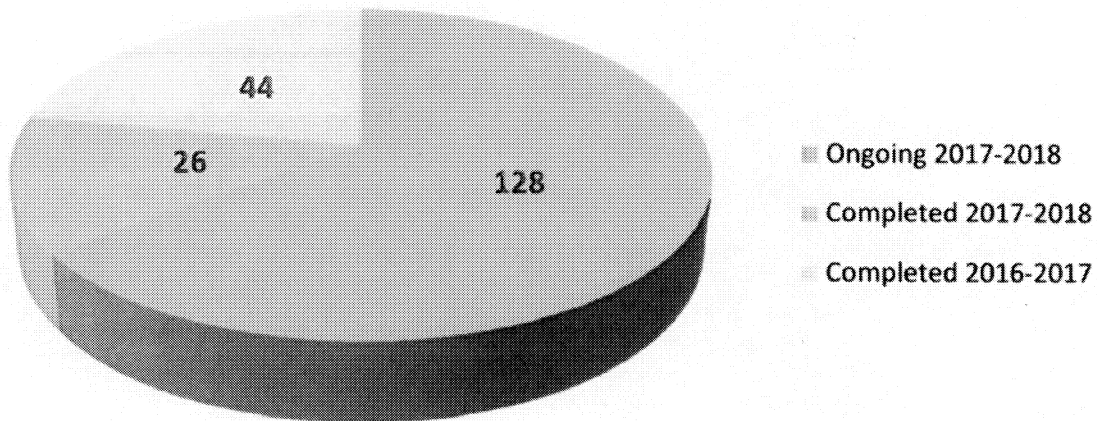


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 116
Number of people served by those communities	Approx. 105,000

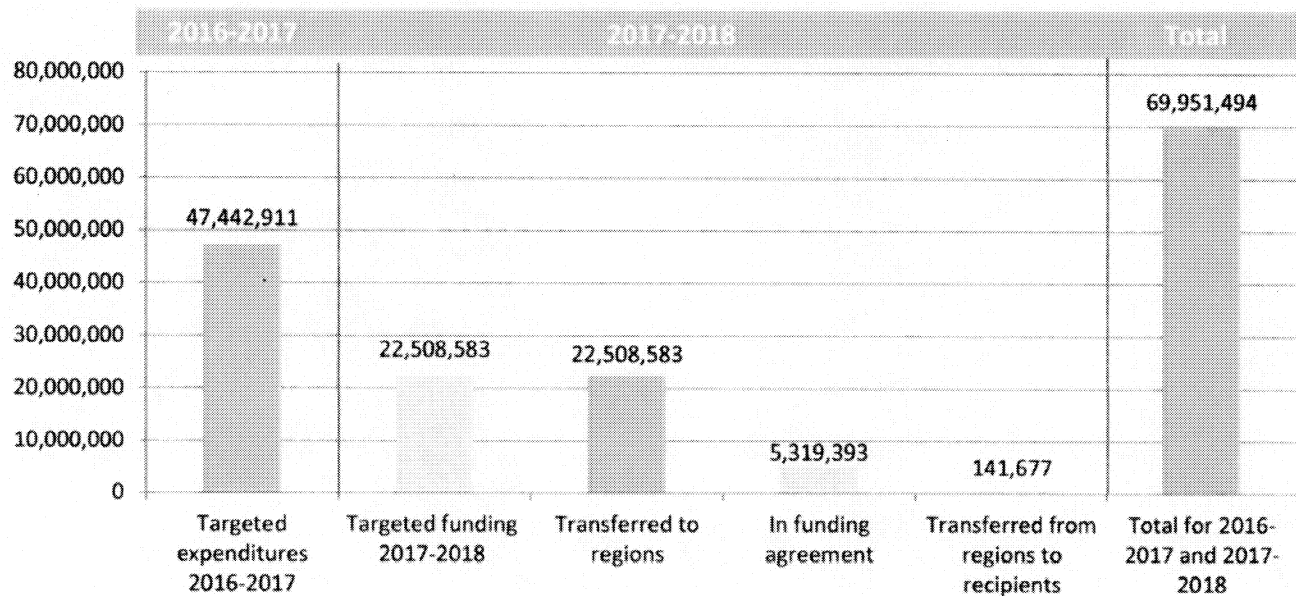
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 198)



Funding (Total available: \$76.9M over 2 years)





## ENERGY, SUSTAINABILITY AND CONNECTIVITY



### OVERVIEW OF ENERGY, SUSTAINABILITY AND CONNECTIVITY INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the long-standing First Nation's other community infrastructure gap (planning, roads and bridges, energy systems, connectivity, structural mitigation, fire protection).



MONEY	As of June 30, 2017
Targeted funding	\$76.5M



PROJECTS	As of June 30, 2017
Number of projects	143
Number of energy projects are detailed as follows:	40
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed projects</li> </ul>	4 6 26 4
Number of connectivity projects are detailed as follows:	18
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed projects</li> </ul>	1 2 12 3
Planning and skills development projects	85
<ul style="list-style-type: none"> <li>In progress</li> <li>Completed projects</li> </ul>	84 1

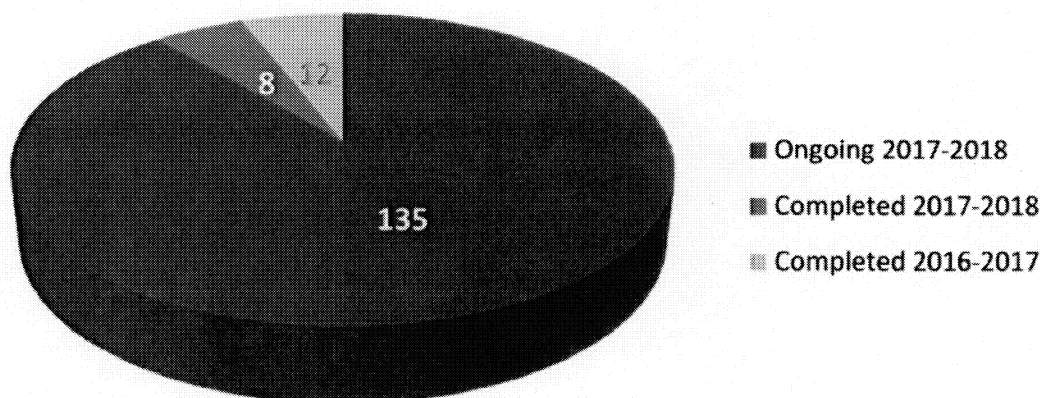


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 285
Number of people served by those communities	Approx. 327,000

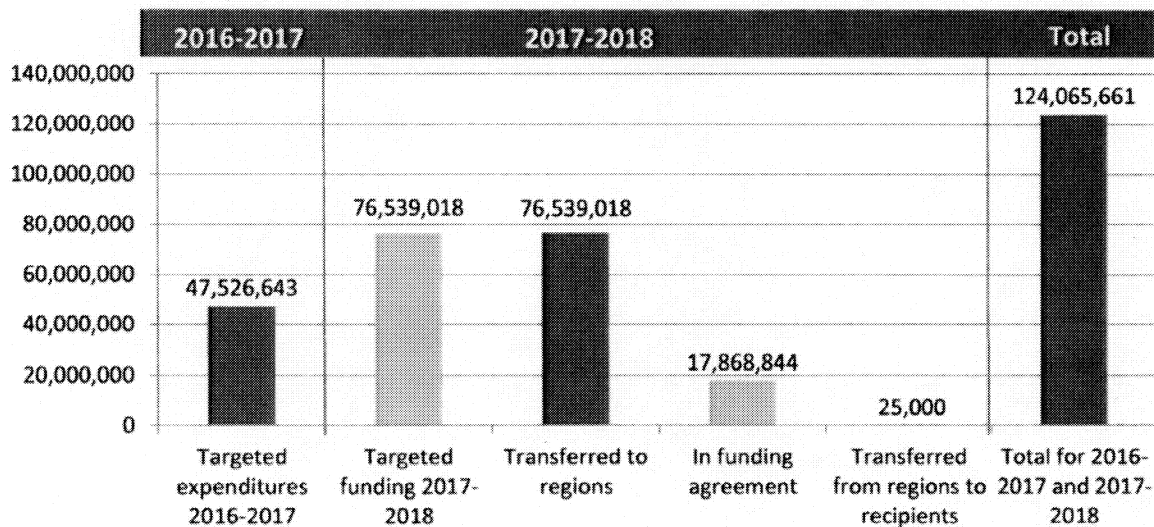
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 155)



Funding (Total available: \$255M over 2 years, including Fundamental Community Infrastructure)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2013 (Building Canada Funds).



## FUNDAMENTAL COMMUNITY INFRASTRUCTURE



### OVERVIEW OF FUNDAMENTAL COMMUNITY INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the long-standing First Nation's other community infrastructure gap (planning, roads and bridges, energy systems, connectivity, structural mitigation, fire protection)



#### MONEY

As of June 30, 2017

Targeted funding

\$92.7M

#### PROJECTS

As of June 30, 2017

Number of projects

130

Number of fire protection projects are detailed as follows:

52

- Planning stage
- Design stage
- Construction stage
- Completed projects

12

5

29

6

Number of roads and bridges projects are detailed as follows:

53

- Planning stage
- Design stage
- Construction stage
- Completed projects

2

7

35

9

Number of structural mitigation projects are detailed as follows:

25

- Planning stage
- Design stage
- Construction stage
- Completed projects

4

4

17

0



#### PEOPLE

As of June 30, 2017

Number of communities benefiting from INAC infrastructure investments

Approx. 107

Number of people served by those communities

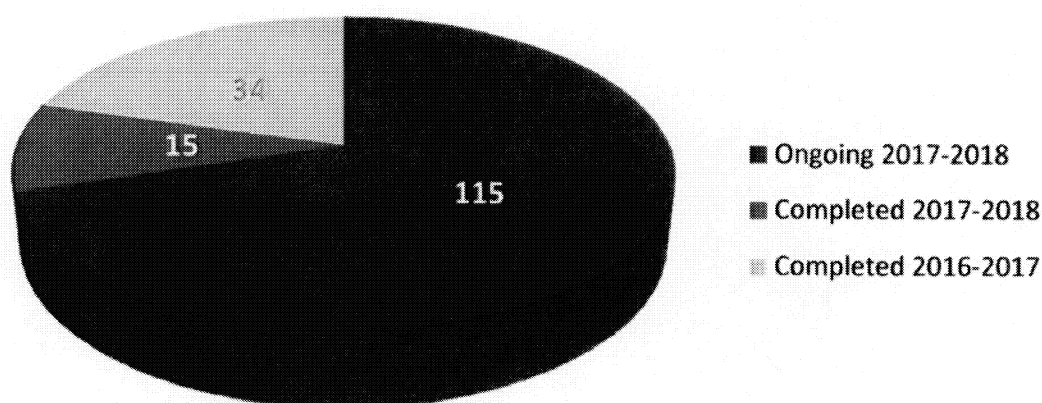
Approx. 165,000

Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

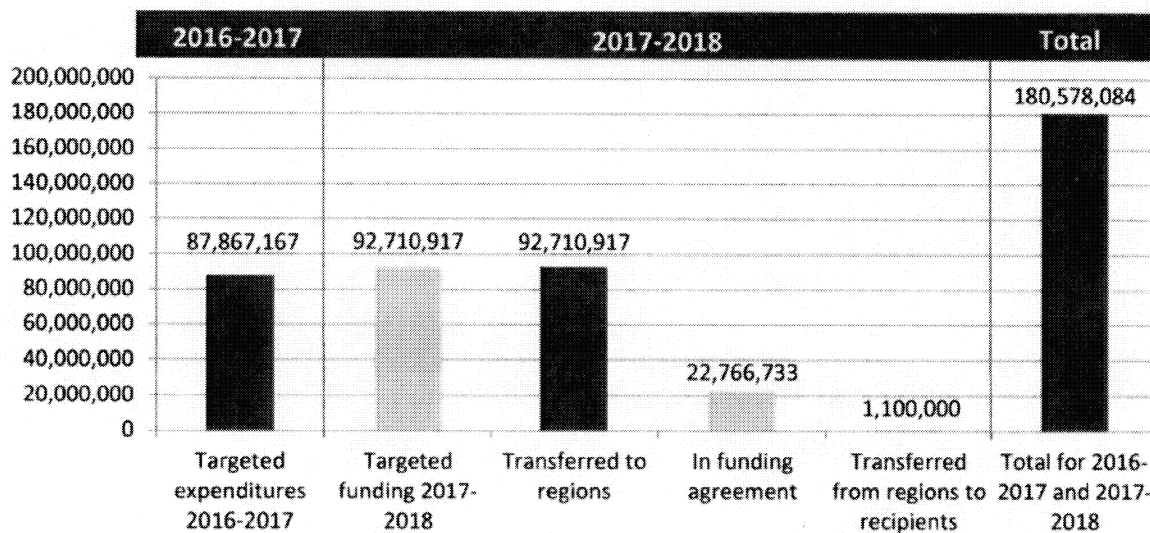


## OVERALL RESULTS FROM BUDGET 2016 FUNDING

### Number of projects (Total over 2 years: 164)



### Funding (Total available: \$255M over 2 years, including Energy, Sustainability and Connectivity)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2014 (Structural Mitigation).



## WASTE MANAGEMENT

### OVERVIEW OF SOLID WASTE INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Investments in waste management systems are critical to protecting both the environment and health and safety, while improving the readiness of First Nation communities to access economic opportunities. Budget 2016 supports efforts to improve how waste is managed on reserve through a proposed investment of \$409 million over five years, starting in 2016–17. This funding will assist communities in identifying appropriate waste management systems and accessing the necessary training and infrastructure required to implement them.



MONEY	As of June 30, 2017
Targeted funding	\$76.7 M



PROJECTS	As of June 30, 2017
Total number of projects	251
Projects include support for the following:	
• Planning Activities	74
• Design Activities	37
• Construction or Acquisition of Equipment	80
• Completed projects	0
• Supporting infrastructure and services	60

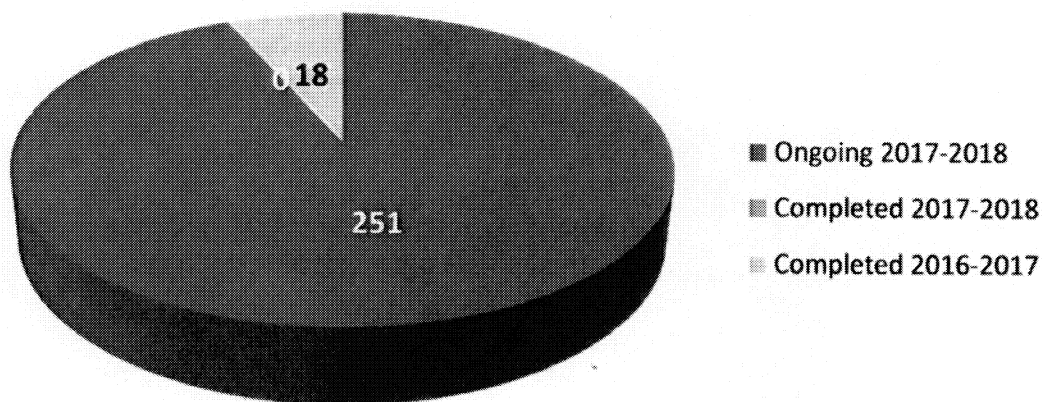


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 164
Number of people served by those communities	Approx. 221,000

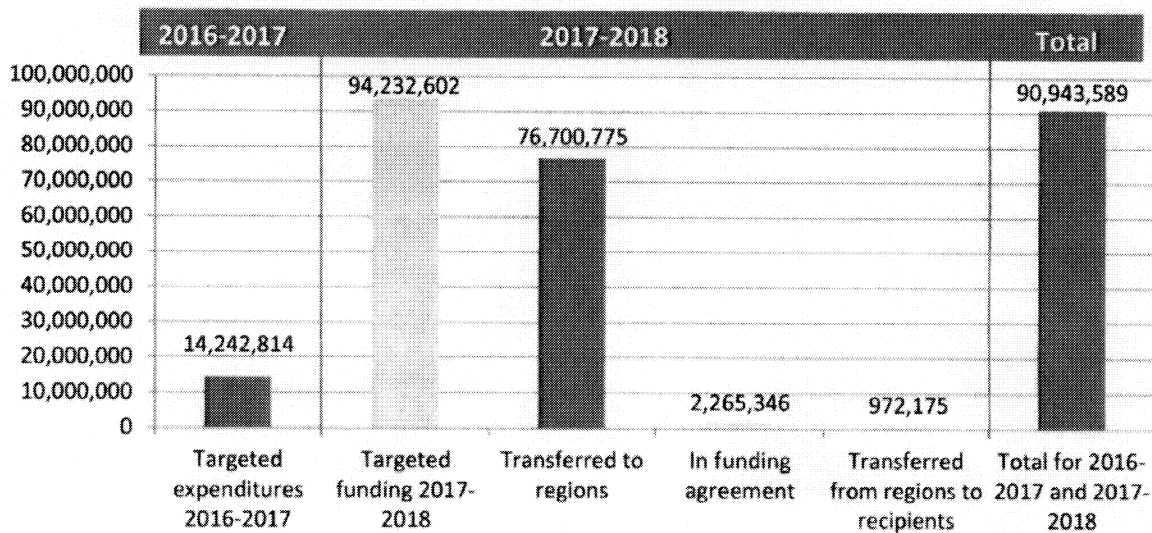
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 269)



Funding (Total available: \$408.9M over 5 years)



## Annex B

### **INAC's Proposed Response to the Office of the Parliamentary Budget Officer Request # 2**

**Topic:** Operations and Maintenance Funding for Single-Source Water and Wastewater Infrastructure

**Date received:** September 5, 2017

**Question:** With regards to single-source water and wastewater (well water, septic tank treatment), what proportion of the Operations and Maintenance cost of these is paid by the Department?

**Proposed Response:** INAC financially supports up to 80% of the costs to operate and maintain public water and wastewater systems. Single-source wells and septic tanks that are centrally managed fall within INAC's definition of a public system (i.e.: those which are operated and maintained by a fully-qualified Band employee under the supervision of a central authority [such as a Band Council or Tribal Council], or operated and maintained by a fully-certified third party operating under contract to the Band). Non-public water and wastewater systems are the responsibility of the specific owner or operator of those systems.

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**OFFICE OF PARLIAMENTARY BUDGET OFFICER REQUESTS ON  
INFRASTRUCTURE & UPCOMING REPORT ON THE FIRST NATIONS WATER AND  
WASTEWATER INFRASTRUCTURE PROGRAM BUDGET:**

Box Decision by the Senior Assistant Deputy Minister

**DATE:** September 29, 2017

**SUMMARY**

- Your approval is needed to respond to two information requests by the Office of the Parliamentary Budget Officer:
  - Request 1 (received July 27, 2017): An update on the value of the Budget 2016 infrastructure funding that has been committed for fiscal year 2017-18 and to date, as well as any progress information. (Annex A)
  - Request 2 (received September 5, 2017): With regards to single-source water and wastewater (well water, septic tank treatment), what proportion of the Operations and Maintenance cost of these is paid by the Department? (Annex B)
- Deputy Minister's approval is required to release the Department's responses. The Chief Financial Officer Sector has indicated that they will route these responses to the Deputy Minister's Office upon your approval.
- The Office of the Parliamentary Budget Officer has been conducting a review of the budget sufficiency of the First Nations water and wastewater infrastructure program over Spring and Summer 2017.
- The review included an examination of the 2011 National Assessment of First Nations Water and Wastewater Systems, program spending, Budget 2016 funding request, and risk assessments of First Nations water and wastewater systems.
- A report summarizing key findings and recommendations is expected to be released in early October 2017.
- The Department is anticipating potential significant media attention on this report due to the Government of Canada's commitment to end all long-term drinking water advisories affecting public systems financially supported by INAC by 2021.
- INAC will have an opportunity to review this report in advance (24-48 hours before public release) on the condition that none of the report is shared with the Minister's Office prior to release.
- Upon receipt of the advance copy of the report, the Chief Financial Officer Sector will coordinate an information package for the Deputy Minister.

**RECOMMENDATION**

- It is recommended that you sign on the following page indicating concurrence with the proposed responses so that this information can be released to the Office of the Parliamentary Budget Officer.

☐

I concur

☐

I do not concur

☐

I wish to discuss further

Senior Assistant Deputy Minister: \_\_\_\_\_ Date: \_\_\_\_\_



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## **ANNEXES**

Annex A: Overview of INAC's 2017-18 Infrastructure Targeted Investments  
(Budget 2016)

Annex B: INAC's Proposed Response to the Office of the Parliamentary Budget Officer  
Request # 2: Operations and Maintenance Funding for Single-Source Water  
and Wastewater Infrastructure

**UNCLASSIFIED – FC6798  
ANNEX B**

**THE DEPARTMENT'S PROPOSED RESPONSE TO THE OFFICE OF THE  
PARLIAMENTARY BUDGET OFFICER REQUEST #2  
OPERATIONS AND MAINTENANCE FUNDING FOR SINGLE-SOURCE WATER AND  
WASTEWATER INFRASTRUCTURE**

**DATE RECEIVED**

September 5, 2017

**QUESTION**

With regard to single-source water and wastewater (well water and septic tank treatment), what proportion of the operations and maintenance costs of these is paid by the Department?

**PROPOSED RESPONSE**

The Department financially supports up to 80% of the costs to operate and maintain public water and wastewater systems. Single-source wells and septic tanks that are centrally managed fall within the Department's definition of a public system (i.e. those that are operated and maintained by a fully-qualified band employee under the supervision of a central authority such as a band council or tribal council or that are operated and maintained by a fully-certified third-party operator under contract by the band). Non-public water and wastewater systems are the responsibility of the specific owner or operator of those systems.

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**OFFICE OF PARLIAMENTARY BUDGET OFFICER REQUESTS ON  
INFRASTRUCTURE AND UPCOMING REPORT ON THE FIRST NATIONS WATER  
AND WASTEWATER INFRASTRUCTURE PROGRAM BUDGET**

Box Decision by the Deputy Minister

**DATE:** November 30, 2017

**SUMMARY**

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  - Request 1 (received July 27, 2017) — provide an update on the value of Budget 2016 infrastructure funding that has been committed for fiscal year 2017–2018 (and to date) and any information related to progress (see Annex A); and
  - Request 2 (received September 5, 2017) — with regard to single-source water and wastewater (well water and septic tank treatment), provide briefing on what proportion of the operations and maintenance costs of these is paid by the Department (see Annex B).
- Deputy minister approval is required to release the Department's responses.
- Upon your approval, the Chief Finances, Results and Delivery Officer Sector will deliver the response to the Office of the Parliamentary Budget Officer.

**RECOMMENDATION**

- That you approve the material so that this information can be released to the Office of the Parliamentary Budget Officer.

☐

I concur

☐

I do not concur

☐

I wish to discuss further

Deputy Minister


Associate Deputy Minister: \_\_\_\_\_ Date: \_\_\_\_\_

**ANNEXES**

Annex A: INAC Fiscal Year 2017–2018 Infrastructure Targeted Investments  
(Budget 2016)








Annex B: INAC's Proposed Response to the Office of the Parliamentary Budget  
Officer Request #2



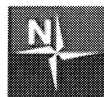
# INAC FISCAL YEAR 2017-2018 INFRASTRUCTURE TARGETED INVESTMENTS

as of June 30, 2017

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Note: Targeted funding for the 2017-2018 fiscal year is \$1,15 billion, excluding statutory expenses related to Gas tax funds of \$28.1M.

Amounts and community numbers are approximate and subject to change in keeping with progress on projects.



## WATER AND WASTEWATER



### OVERVIEW OF WATER AND WASTEWATER INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Address all the long-term DWAs affecting INAC-funded water systems by March 2021. This will be achieved by initiating new capital projects; supporting First Nations for the operation and maintenance of water systems; supporting capacity development and training services to First Nations; and establishing Task Forces on drinking water advisories to leverage the capacity of existing organizations, including provincial governments, where applicable, and First Nation stakeholders.



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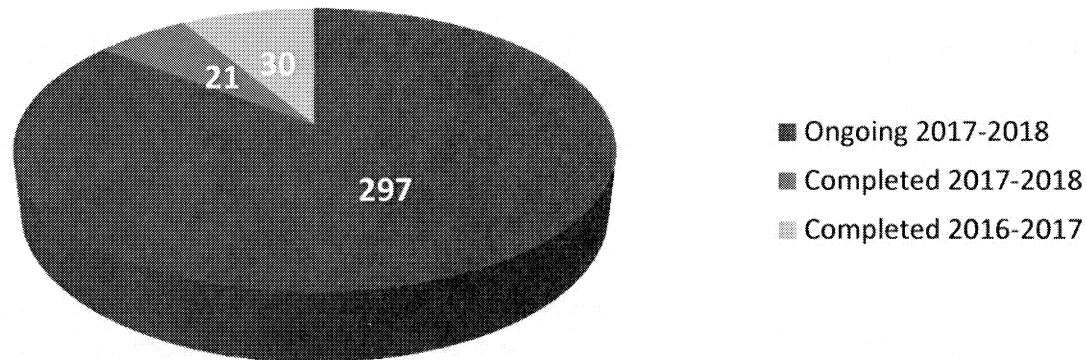
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## OVERALL RESULTS FROM BUDGET 2016 FUNDING

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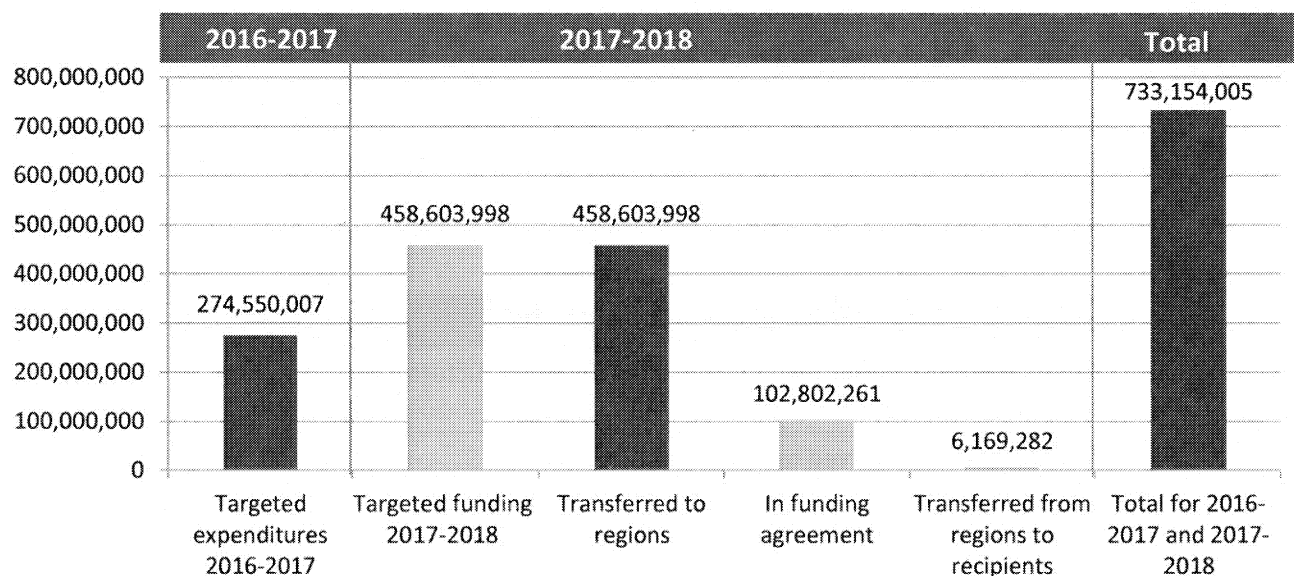


## Long-Term Drinking Water Advisories (L-T DWAs)

Progress since November 2015: 26 L-T DWAs were lifted



## Funding (Total available: \$1.8B over 5 years)





## HOUSING



### OVERVIEW OF HOUSING INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Construct new units, renovate existing units and provide lot servicing to address immediate housing needs on reserves. Support capacity development and the use of innovative practices.



#### MONEY

As of June 30, 2017

Targeted funding

\$133.5M

#### PROJECTS & UNITS

As of June 30, 2017

Total number of projects

744

Total number of units (completed and in progress)

2,801 units

Total number of units **under construction or renovation**

2,184 units

Number of units under construction, service or renovation, detailed as follows:

- New unit construction
- Renovation & additions

1,112 units  
1,072 units

Total number of **completed units**

617 units

Total number of completed units are detailed as follows:

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216 units  
401 units

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Lots currently being serviced

70 lots

Lots servicing completed

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#### PEOPLE

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Number of communities benefiting from INAC infrastructure investments

Approx. 314

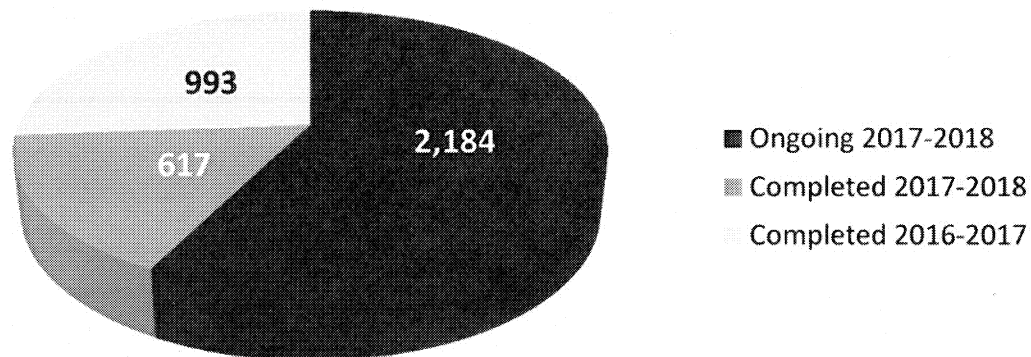
Number of people served by those communities

Approx. 329,000

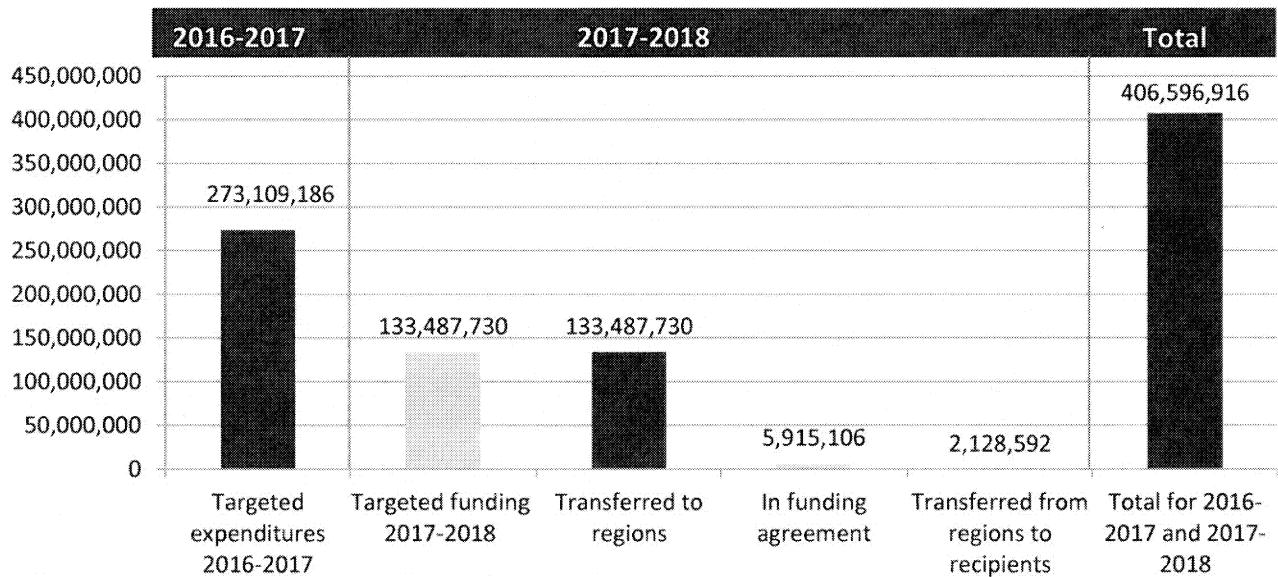
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

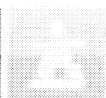
## OVERALL RESULTS FROM BUDGET 2016 FUNDING

### Number of units under construction, renovation or servicing (Total 2 years: 3,794 units)



### Funding (Total available: \$416.6M over 2 years)





## EDUCATION FACILITIES



### OVERVIEW OF EDUCATION INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

The academic achievement of First Nations children, as well as their health and well-being, depends in large part on the quality of their schools. There is a significant need to repair and construct schools on reserve and ensure that they are adequately maintained. Budget 2016 proposes to invest \$969.4 million over five years, starting in 2016–17, in First Nations education infrastructure on reserves.



MONEY	As of June 30, 2017
Targeted funding	\$294M



PROJECTS	As of June 30, 2017
Number of projects	135
Number of new school constructions:	67
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed stage</li> </ul>	35 17 11 4
Number of renovations and upgrades projects:	56
<ul style="list-style-type: none"> <li>Planning stage</li> <li>Design stage</li> <li>Construction stage</li> <li>Completed stage</li> </ul>	19 12 25 0
Number of supporting infrastructure / services projects	5
Feasibility/studies underway to determine project scope (new school or renovations/upgrades/expansion)	7

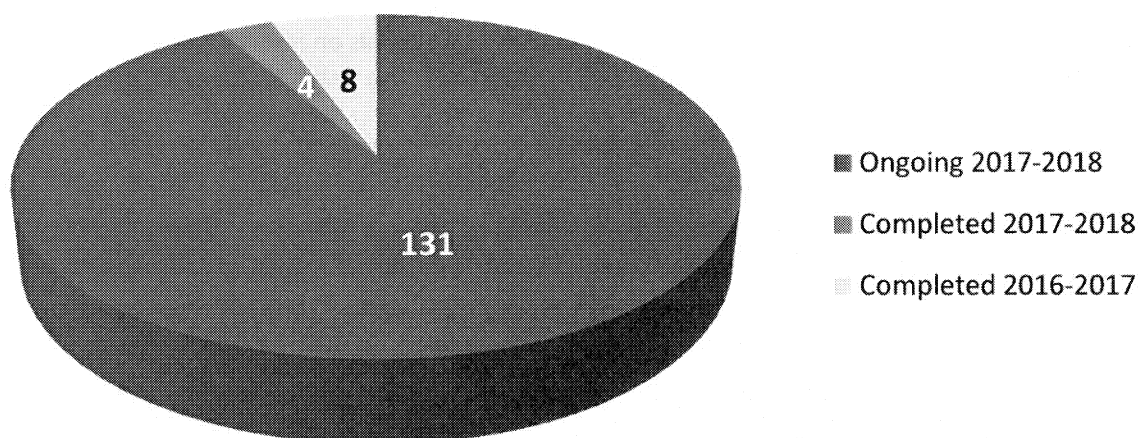


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 120
Number of people served by those communities	Approx. 172,000

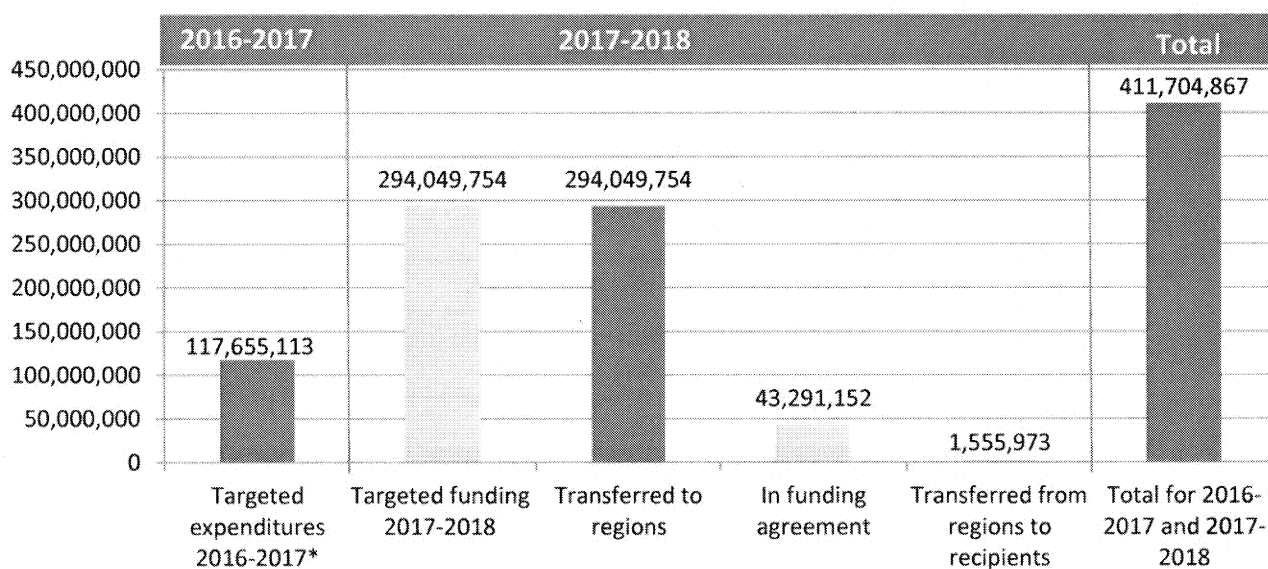
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 143)



Funding (Total available: \$969.4M over 5 years)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2014 (Education Infrastructure Fund).





## CULTURE AND RECREATION



### OVERVIEW OF CULTURE AND RECREATION INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the on-reserve cultural and recreational facilities gap.



MONEY	As of June 30, 2017
Targeted funding	\$22.5M



PROJECTS	As of June 30, 2017
Number of projects	154
Number of projects are detailed as follows:	
• Planning stage	12
• Design stage	19
• Construction stage	97
• Completed projects	26

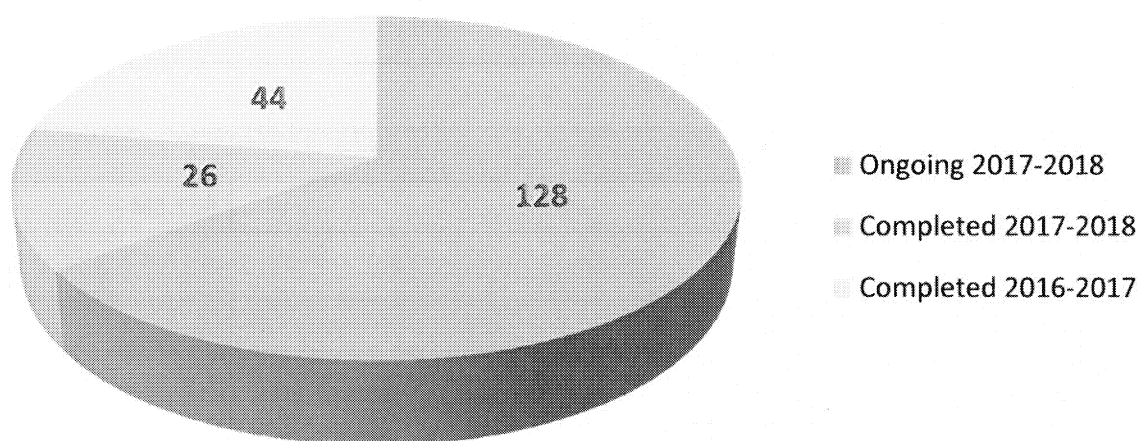


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 116
Number of people served by those communities	Approx. 105,000

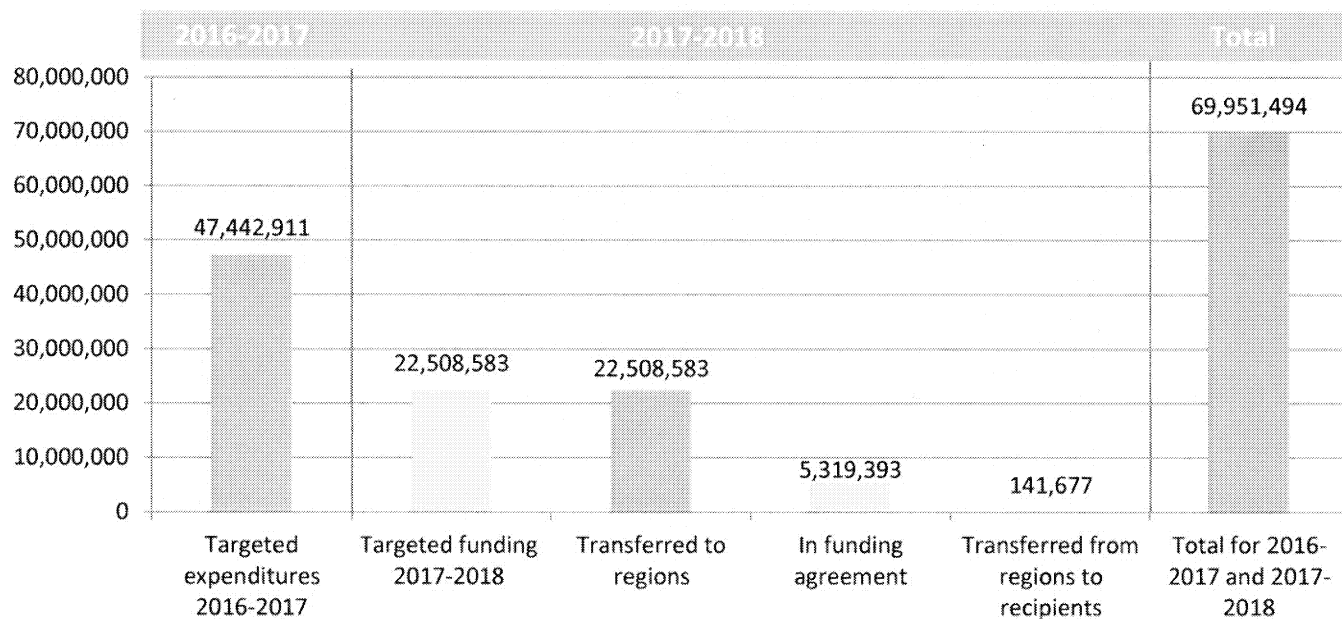
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

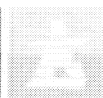
## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 198)



Funding (Total available: \$76.9M over 2 years)





## ENERGY, SUSTAINABILITY AND CONNECTIVITY



### OVERVIEW OF ENERGY, SUSTAINABILITY AND CONNECTIVITY INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the long-standing First Nation's other community infrastructure gap (planning, roads and bridges, energy systems, connectivity, structural mitigation, fire protection).



#### MONEY

As of June 30, 2017

Targeted funding

\$76.5M



#### PROJECTS

As of June 30, 2017

Number of projects

143

Number of energy projects are detailed as follows:

40

- Planning stage
- Design stage
- Construction stage
- Completed projects

4

6

26

4

Number of connectivity projects are detailed as follows:

18

- Planning stage
- Design stage
- Construction stage
- Completed projects

1

2

12

3

Planning and skills development projects

85

- In progress
- Completed projects

84

1



#### PEOPLE

As of June 30, 2017

Number of communities benefiting from INAC infrastructure investments

Approx. 285

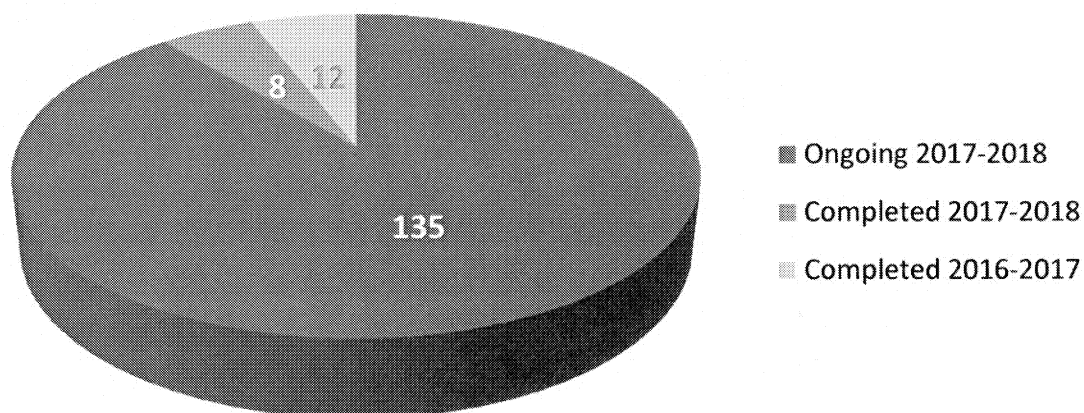
Number of people served by those communities

Approx. 327,000

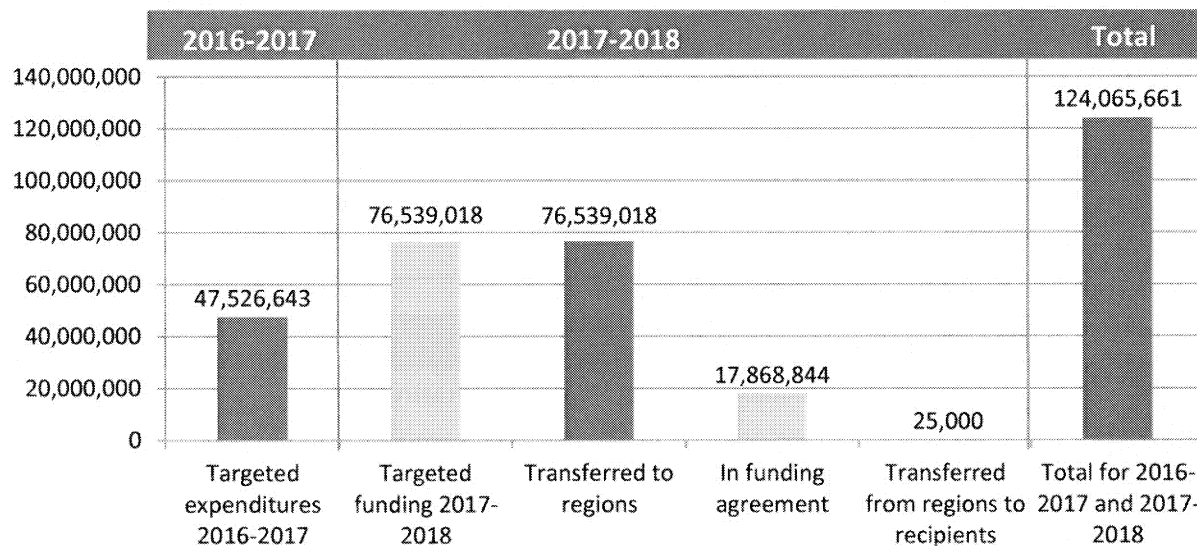
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

### Number of projects (Total over 2 years: 155)



### Funding (Total available: \$255M over 2 years, including Fundamental Community Infrastructure)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2013 (Building Canada Funds).



## FUNDAMENTAL COMMUNITY INFRASTRUCTURE



### OVERVIEW OF FUNDAMENTAL COMMUNITY INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Start addressing the long-standing First Nation's other community infrastructure gap (planning, roads and bridges, energy systems, connectivity, structural mitigation, fire protection)



MONEY	As of June 30, 2017
Targeted funding	\$92.7M



PROJECTS	As of June 30, 2017
Number of projects	130
Number of fire protection projects are detailed as follows:	52
• Planning stage	12
• Design stage	5
• Construction stage	29
• Completed projects	6
Number of roads and bridges projects are detailed as follows:	53
• Planning stage	2
• Design stage	7
• Construction stage	35
• Completed projects	9
Number of structural mitigation projects are detailed as follows:	25
• Planning stage	4
• Design stage	4
• Construction stage	17
• Completed projects	0

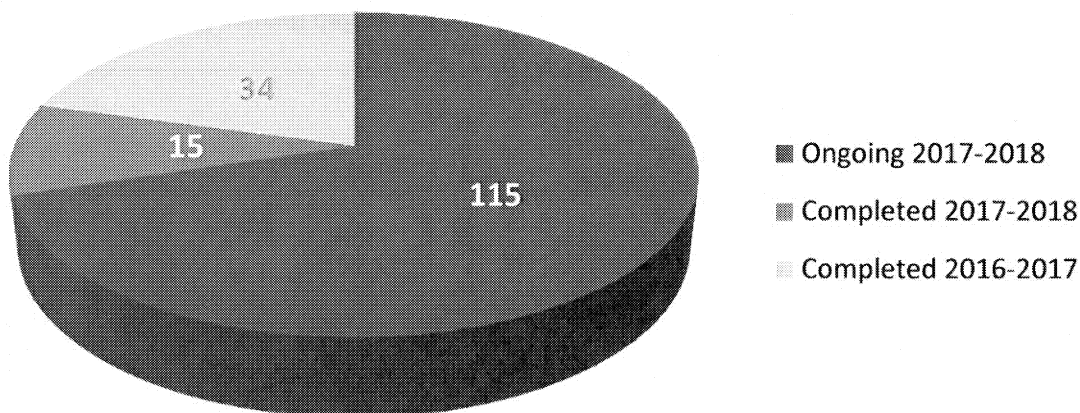


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 107
Number of people served by those communities	Approx. 165,000

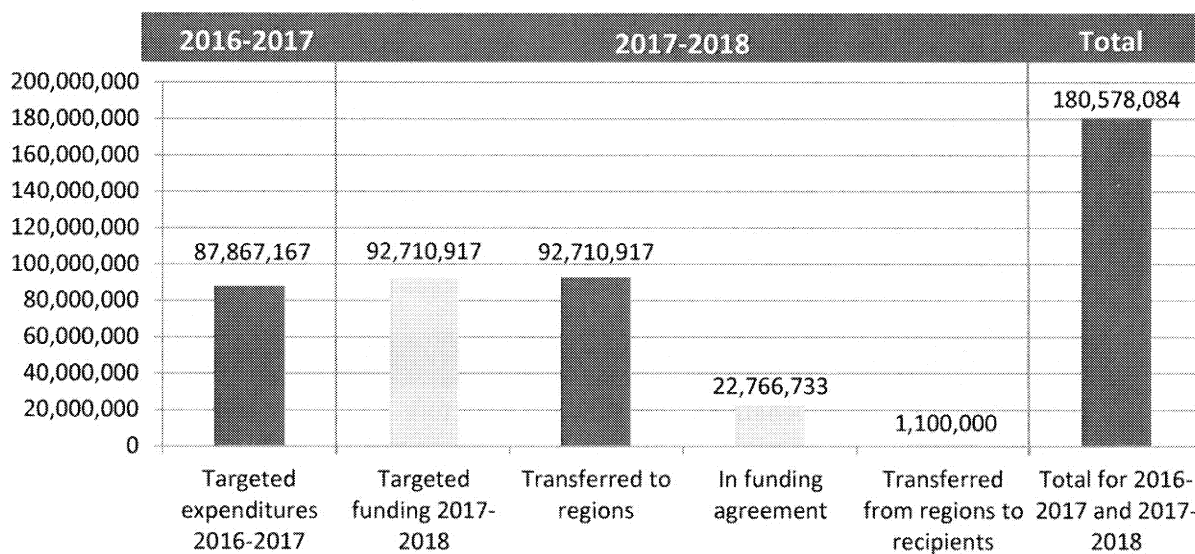
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 164)



Funding (Total available: \$255M over 2 years, including Energy, Sustainability and Connectivity)



Note: Targeted expenditures in 2016-2017 and targeted funding in 2017-2018 both include funding from budget 2014 (Structural Mitigation).





## WASTE MANAGEMENT

### OVERVIEW OF SOLID WASTE INFRASTRUCTURE 2017-2018 TARGETED INVESTMENTS

#### OVERALL OBJECTIVE

Investments in waste management systems are critical to protecting both the environment and health and safety, while improving the readiness of First Nation communities to access economic opportunities. Budget 2016 supports efforts to improve how waste is managed on reserve through a proposed investment of \$409 million over five years, starting in 2016–17. This funding will assist communities in identifying appropriate waste management systems and accessing the necessary training and infrastructure required to implement them.



MONEY	As of June 30, 2017
Targeted funding	\$76.7 M



PROJECTS	As of June 30, 2017
Total number of projects	251
Projects include support for the following:	
• Planning Activities	74
• Design Activities	37
• Construction or Acquisition of Equipment	80
• Completed projects	0
• Supporting infrastructure and services	60

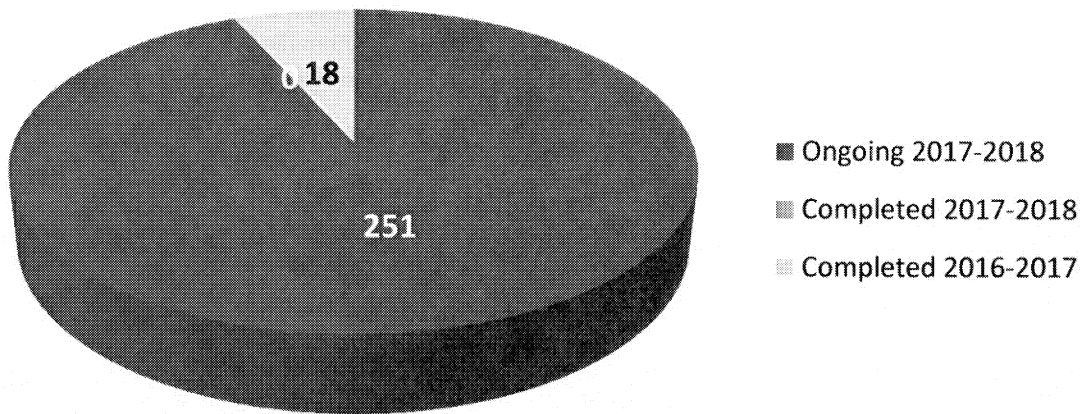


PEOPLE	As of June 30, 2017
Number of communities benefiting from INAC infrastructure investments	Approx. 164
Number of people served by those communities	Approx. 221,000

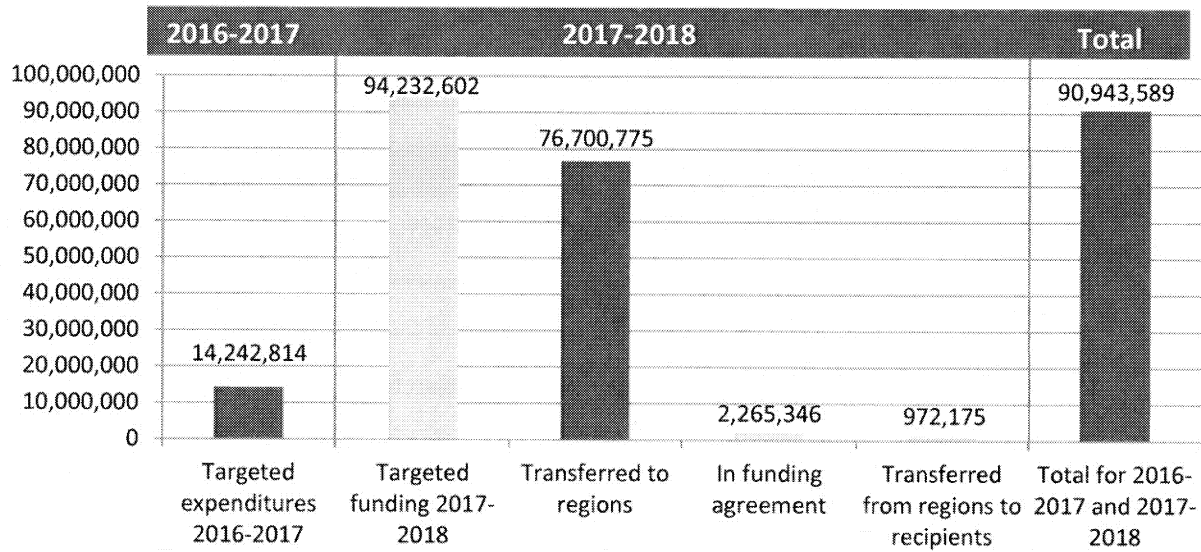
Note: Amounts and community numbers are approximate and subject to change in keeping with progress on projects.

## OVERALL RESULTS FROM BUDGET 2016 FUNDING

Number of projects (Total over 2 years: 269)



Funding (Total available: \$408.9M over 5 years)



UNCLASSIFIED - FC6798

**OFFICE OF PARLIAMENTARY BUDGET OFFICER REQUESTS ON  
INFRASTRUCTURE & UPCOMING REPORT ON THE FIRST NATIONS WATER AND  
WASTEWATER INFRASTRUCTURE PROGRAM BUDGET:**

Box Decision by the Senior Assistant Deputy Minister

**DATE:** September 13, 2017

**SUMMARY**

- Your approval is needed to respond to two information requests by the Office of the Parliamentary Budget Officer:
  - Request 1 (received July 27, 2017): An update on the value of the Budget 2016 infrastructure funding that has been committed for fiscal year 2017-18 and to date, as well as any progress information. (Annex A)
  - Request 2 (received September 5, 2017): With regards to single-source water and wastewater (well water, septic tank treatment), what proportion of the Operations and Maintenance cost of these is paid by the Department? (Annex B)
- Deputy Minister's approval is required to release the Department's responses. The Chief Financial Officer Sector has indicated that they will route these responses to the Deputy Minister's Office upon your approval.
- The Office of the Parliamentary Budget Officer has been conducting a review of the budget sufficiency of the First Nations water and wastewater infrastructure program over Spring and Summer 2017.
- The review included an examination of the 2011 National Assessment of First Nations Water and Wastewater Systems, program spending, Budget 2016 funding request, and risk assessments of First Nations water and wastewater systems.
- A report summarizing key findings and recommendations is expected to be released in early October 2017.
- The Department is anticipating potential significant media attention on this report due to the Government of Canada's commitment to end all long-term drinking water advisories affecting public systems financially supported by INAC by 2021.
- INAC will have an opportunity to review this report in advance (24-48 hours before public release) on the condition that none of the report is shared with the Minister's Office prior to release.
- Upon receipt of the advance copy of the report, the Chief Financial Officer Sector will coordinate an information package for the Deputy Minister.

**RECOMMENDATION**

- It is recommended that you sign on the following page indicating concurrence with the proposed responses so that this information can be released to the Office of the Parliamentary Budget Officer.

☒ I concur

☐ I do not concur

☐ I wish to discuss further

Senior Assistant Deputy Minister: P. Duggan Date: 28/9/17

**UNCLASSIFIED - FC6798**

## **ANNEXES**

Annex A: Overview of INAC's 2017-18 Infrastructure Targeted Investments  
(Budget 2016)

Annex B: INAC's Proposed Response to the Office of the Parliamentary Budget Officer  
Request # 2: Operations and Maintenance Funding for Single-Source Water  
and Wastewater Infrastructure

## Annex B

### INAC's Proposed Response to the Office of the Parliamentary Budget Officer Request # 2

**Topic:** Operations and Maintenance Funding for Single-Source Water and Wastewater Infrastructure

**Date received:** September 5, 2017

**Question:** With regards to single-source water and wastewater (well water, septic tank treatment), what proportion of the Operations and Maintenance cost of these is paid by the Department?

**Proposed Response:** ~~INAC~~ The Department financially supports up to 80% of the costs to operate and maintain public water and wastewater systems. Single-source wells and septic tanks that are centrally managed fall within ~~INAC's~~ the Department's definition of a public system (i.e.: those which are operated and maintained by a fully-qualified Band employee under the supervision of a central authority [such as a Band Council or Tribal Council], or operated and maintained by a fully-certified third party operating under contract to the Band). Non-public water and wastewater systems are the responsibility of the specific owner or operator of those systems.

A joint Assembly of First Nations – Indigenous Services review of the operation and maintenance and minor capital allocation formulas has been launched in Fall 2017. The objective of the review is to modernise these formulas so that they are more reflective of the current operating environment of First Nations. The scope and timeframes of the review are currently being discussed with the Assembly of First Nations.